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MONTANA STATE LOTTERY

REPORT ON
MONTANA CASH DRAWINGS

JUNE 30, 1995

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MONTANA STATE LOTTERY

REPORT ON
MONTANA CASH DRAWINGS

JUNE 30, 1995

ANDERSON ZURMUEHLEN & CO., P.C.
Certified Public Accountants

MONTANA STATE LOTTERY

CONTENTS

PAGE

Transcribe Letter from the Office of the Legislative Auditor 1

Listing of the Commission Members and Administrative Officials 2

Introduction 3

Background 3

Reportable Observations 3

Independent Accountants' Report ..... 4 and 5

Statement of Montana Cash Winning Numbers ..... 6 to 8

STATE OF MONTANA

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Performance Audit

November 1995

The Legislative Audit Committee
of the Montana State Legislature:

Enclosed is the report on the Montana State Lottery Observations for the year ended June 30, 1995.

The observations were conducted by Anderson, ZurMuehlen and Company, PC, under a contract between the firm and our office. The comments and recommendations contained in this report represent the view of the firm and not necessarily the Legislative Auditor.

Respectfully submitted,

Scott A. Seacat
Legislative Auditor

95C-02

MONTANA STATE LOTTERY
COMMISSION MEMBERS AND ADMINISTRATIVE OFFICIALS
June 30, 1995

Commission Members	Residence
Rebecca Erickson, Chairperson	Glasgow
David Kasten	Brockway
Robert Crippen	Butte
Larry O'Toole	Plentywood
Cliff Brophy	Columbus

Administrative Officials

Charmaine Murphy, Director

L. John Onstad, Director of Security

Leslie Darfler, Director of Operations

Karalee Ellison, Director of Marketing

MONTANA STATE LOTTERY

INTRODUCTION

We performed the following agreed-upon procedures on the Montana State Lottery for the year ended June 30, 1995:

(1) witnessing and reporting on all Montana Cash drawings;
(2) examining all lottery drawing equipment prior to and after each related drawing; and
(3) testing compliance with applicable statutes and regulations.

BACKGROUND

The Montana State Lottery was created in November 1986 by a referendum vote of the people of Montana. The "Montana State Lottery Act of 1985" rules and subsequent changes are outlined by Chapter 669 of the Montana Session Laws and Title 23, Chapter 7, of the Montana Code Annotated. The general purpose is to allow lottery games in which the players purchase from the state, through the administration of the state lottery, a chance to win a prize.

REPORTABLE OBSERVATIONS

In addition to the independent accountants' report on agreed-upon procedures, we are to report on serious inadequacies in operating controls and procedures, activities not authorized by the Legislature, and our recommendations to the State and the Lottery. We have nothing to report in those areas.

& COMPANY

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6TH & LAST CHANCE GULCH
P.O. BOX 1147 • HELENA, MONTANA 59624
406•442•1040 FAX 406•442•6748

INDEPENDENT ACCOUNTANTS' REPORT

To the Commissioners
Montana State Lottery
Helena, Montana

We have applied the procedures enumerated below to the accompanying statements of Montana Cash winning numbers for the year ended June 30, 1995. These procedures, which were agreed to by a legislative auditor's contract, were performed solely to assist you in evaluating the procedures used in Montana Cash Lottery drawings. This report is intended solely for your information and should not be used by those who did not participate in determining the procedures.

The agreed-upon procedures were designed to review the applicable rules as developed by the Montana State Lottery to determine that such rules are adequate to insure:

- All drawings are conducted in accordance with applicable rules and regulations.
- All drawings are conducted in a secure, honest and fair manner.

The procedures we performed are summarized as follows:

1. We read "Montana Cash Drawing Procedures." In performing these and other steps of our procedures, we gave consideration to the adequacy of controls over the drawing process.
2. We observed the unlocking of the machine cabinet and determined that the seals on the machine cabinet door, ball locker and ball sets were unbroken and that the seals were numbered the same as the seals placed there when we were last present.
3. We observed the random selection of the primary and back-up drawing machines and the primary and alternate ball sets.
4. We observed the pre-drawing tests, recorded the results and determined that the applicable procedures were followed.
5. We observed the official "Montana Cash Drawing" and determined that the applicable procedures were followed.
6. We observed the performance of one post-drawing test, recorded the results and determined the applicable procedures were followed.

7. We observed the resealing of the ball set, ball locker and machine cabinet door.

We have furnished the Office of the Legislative Auditor with a summary letter after each drawing that the Montana Cash drawings were performed and observed by us. The letter would include any unusual occurrences or deviations from the established rules and procedures.

These agreed-upon procedures are substantially less in scope than an audit, the objective of which is the expression of an opinion on the statement of Montana Cash winning numbers. Accordingly, we do not express such an opinion.

We observed the special drawing for the "Trucks & Bucks" on August 20, 1994. There were no special matters that came to our attention that were not in accordance with the established drawing procedures.

Based on the application of the agreed-upon procedures referred to above, nothing came to our attention that caused us to believe that the accompanying statement of Montana Cash winning numbers are not presented in conformity with above agreed-upon procedures. Had we performed additional procedures or had we made an audit of the statement of Montana Cash winning numbers other matters might have come to our attention that would have been reported to you.

Anderson Zurmuehlen & Co., P.C.

Helena, Montana
June 30, 1995

MONTANA STATE LOTTERY
STATEMENT OF MONTANA CASH WINNING NUMBERS
Year Ended June 30, 1995

The following Montana Cash drawings were held twice a week, Wednesdays and Saturdays, at Lottery Headquarters, Helena, Montana. The winning numbers were:

DATE	WINNING NUMBERS				
July 2, 1994	30	16	12	21	22
July 6, 1994	29	25	19	21	20
July 9, 1994	28	06	05	27	13
July 13, 1994	27	25	09	07	22
July 16, 1994	37	27	01	20	23
July 20, 1994	29	06	26	14	32
July 23, 1994	27	31	07	33	37
July 27, 1994	08	19	27	01	35
July 30, 1994	04	19	25	33	26
August 3, 1994	12	27	34	19	08
August 6, 1994	05	17	02	06	14
August 10, 1994	12	21	37	09	03
August 13, 1994	27	37	12	01	30
August 17, 1994	20	11	33	36	32
August 20, 1994	36	08	01	03	28
August 24, 1994	11	24	15	03	07
August 27, 1994	32	34	31	13	37
August 31, 1994	20	25	31	17	34
September 3, 1994	10	31	07	02	36
September 7, 1994	18	06	08	17	09
September 10, 1994	03	04	19	12	11
September 14, 1994	11	16	36	35	03
September 17, 1994	19	01	14	02	25
September 21, 1994	12	17	22	34	24
September 24, 1994	21	29	26	28	18
September 28, 1994	02	37	03	15	19
October 1, 1994	02	33	01	31	23
October 5, 1994	36	32	17	09	28
October 8, 1994	27	36	15	21	05
October 12, 1994	20	14	16	26	24
October 15, 1994	25	16	17	30	01
October 19, 1994	06	24	32	36	29
October 22, 1994	35	32	10	06	12
October 26, 1994	36	11	02	22	15
October 29, 1994	21	18	05	34	19

MONTANA STATE LOTTERY
STATEMENT OF MONTANA CASH WINNING NUMBERS (CONTINUED)
Year Ended June 30, 1995

DATE	WINNING NUMBERS				
November 2, 1994	36	34	11	02	07
November 5, 1994	15	27	34	28	29
November 9, 1994	15	03	37	22	26
November 12, 1994	23	30	17	18	31
November 16, 1994	09	31	14	35	18
November 19, 1994	18	30	26	37	17
November 23, 1994	05	29	23	03	32
November 26, 1994	35	13	06	08	26
November 30, 1994	30	22	19	12	35
December 3, 1994	11	36	10	02	25
December 7, 1994	24	22	08	30	16
December 10, 1994	36	27	19	14	25
December 14, 1994	09	32	31	11	05
December 17, 1994	37	25	18	12	08
December 21, 1994	27	09	08	33	05
December 24, 1994	08	34	23	35	30
December 28, 1994	35	08	14	16	01
December 31, 1994	20	30	27	09	36
January 4, 1995	09	16	36	12	05
January 7, 1995	05	11	34	06	23
January 11, 1995	10	32	03	13	35
January 14, 1995	24	33	23	30	29
January 18, 1995	36	13	31	14	33
January 21, 1995	05	07	10	29	17
January 25, 1995	15	12	17	36	32
January 28, 1995	04	24	13	33	37
February 1, 1995	29	12	05	34	11
February 4, 1995	36	18	25	10	24
February 8, 1995	37	21	32	08	20
February 11, 1995	20	27	01	09	13
February 15, 1995	29	15	31	23	08
February 18, 1995	13	25	34	27	11
February 22, 1995	24	03	33	05	23
February 25, 1995	14	10	15	08	17
March 1, 1995	37	20	08	32	33
March 4, 1995	29	10	27	33	05
March 8, 1995	34	17	20	10	32
March 11, 1995	30	36	05	32	22
March 15, 1995	02	07	03	37	11

MONTANA STATE LOTTERY

STATEMENT OF MONTANA CASH WINNING NUMBERS (CONTINUED)

Year Ended June 30, 1995

DATE	WINNING NUMBERS				
March 18, 1995	19	14	37	16	07
March 22, 1995	03	12	22	26	31
March 25, 1995	20	29	34	09	33
March 29, 1995	20	19	18	33	36
April 1, 1995	12	23	28	11	33
April 5, 1995	17	31	26	02	01
April 8, 1995	01	34	11	21	24
April 12, 1995	22	32	19	27	04
April 15, 1995	13	01	05	03	17
April 19, 1995	17	05	11	24	32
April 22, 1995	08	32	15	31	10
April 26, 1995	15	04	20	06	10
April 29, 1995	35	20	30	17	03
May 3, 1995	08	31	14	12	18
May 6, 1995	09	14	29	20	24
May 10, 1995	22	11	24	34	28
May 13, 1995	18	34	23	02	01
May 17, 1995	08	04	01	16	06
May 20, 1995	11	19	26	35	01
May 24, 1995	17	03	36	18	27
May 27, 1995	06	37	25	36	13
May 31, 1995	30	32	09	05	12
June 3, 1995	25	08	27	29	37
June 7, 1995	26	25	04	34	13
June 10, 1995	15	06	09	10	08
June 14, 1995	26	24	36	07	28
June 17, 1995	02	14	18	17	23
June 21, 1995	35	28	22	24	16
June 24, 1995	18	19	23	28	08
June 28, 1995	21	08	03	33	14